



**DEPARTMENT OF THE NAVY**  
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IN REPLY REFER TO  
ACQ 021  
17 Aug 00

MEMORANDUM FOR NAVFAC ACQUISITION PERSONNEL

Subj: CHANGE TO NAVY ACQUISITION PROCEDURES SUPPLEMENT (NAPS) (00-38)

Encl: (1) OASN (RD&A) ABM memo of 11 Aug 00

1. Enclosure (1) provides NAPS Change #97-13. This change is effective immediately and is incorporated in the NAPS Online at <http://www.abm.rda.hq.navy.mil/naps/index.html>.

A handwritten signature in black ink, appearing to read "M. F. Howard".

MICHAEL F. HOWARD  
Director, Strategic Management  
Community Management Section



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AUG 11 2000

MEMORANDUM FOR DISTRIBUTION

Subj: CHANGE TO NAVY ACQUISITION PROCEDURES SUPPLEMENT (NAPS)

Encl: (1) NAPS Change #97-13

Recent changes to the FAR and DFARS have dictated conforming changes to the NAPS. Additionally, an agency designation is added at NAPS 5203.104.

The changes identified in enclosure (1) are hereby incorporated into the August 1997 NAPS.

These changes are effective immediately, and will be reflected in the NAPS Online.

  
M. P. Jaggard  
CAPT, SC, USN  
Executive Director (Acting)  
Acquisition & Business  
Management

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**NAVY ACQUISITION PROCEDURES SUPPLEMENT CHANGE #97-13**

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The following changes are hereby incorporated into the August 1997 NAPS.

1. NAPS Section 5203.104 is added as follows:

**PART 5203**

**IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST**

**SUBPART 5203.1 – SAFEGUARDS**

**5203.104 Violations or possible violations**

(a)(1) The Chief of the Contracting Office is designated, without power of redesignation, as the individual to receive the contracting officer's report and documentation concluding that there is no impact on the procurement.

2. NAPS Section 5223.405 is changed to 5223.406 and modified as follows:

**PART 5223**

**ENVIRONMENT, CONSERVATION, OCCUPATIONAL SAFETY, AND DRUG-FREE  
WORKPLACE**

**SUBPART 5223.4 USE OF RECOVERED MATERIAL**

**5223.406 Solicitation provision and contract clause**

(b) When using the clause at FAR 52.223-9, contracting officers shall insert the following address into paragraph (b) (or paragraph (c) if using ALT I) of the clause:

Commanding Officer  
Naval Facilities Engineering Service Center  
Code 424 CA, 1100 23rd Avenue  
Port Hueneme, CA 93043-4370

3. NAPS Subpart 5250.104 is deleted in its entirety, since the requirement for the reports addressed therein have been eliminated.

**PART 5203**

**IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST**

**SUBPART 5203.1 – SAFEGUARDS**

**5203.101 Standards of conduct.**

**5203.101-1 General.**

(1) Navy contracting activities, purchasing offices and contract administration offices are responsible for ensuring that a single individual performs only one of the following functions:

- (i) initiation of the requirement;
- (ii) award of contract or placement of order; and
- (iii) receipt, inspection, and acceptance of supplies or services.

(2) If circumstances preclude an individual from performing a single function, as a minimum, the individual responsible for the award of a contract or placement of an order should not perform the receipt, inspection and acceptance function.

**5203.104 Violations or possible violations**

(a)(1) The Chief of the Contracting Office is designated, without power of redesignation, as the individual to receive the contracting officer's report and documentation concluding that there is no impact on the procurement.

**SUBPART 5203.6 – CONTRACTS WITH GOVERNMENT EMPLOYEES OR ORGANIZATIONS OWNED OR CONTROLLED BY THEM**

**5203.602 Exceptions.**

The HCA is the agency head's designee, without power of redesignation, to authorize exceptions.

**PART 5223**

**ENVIRONMENT, CONSERVATION, OCCUPATIONAL SAFETY, AND DRUG-FREE  
WORKPLACE**

**SUBPART 5223.3—HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL  
SAFETY DATA**

**5223.370 Safety precautions for ammunitions and explosives.**

**5223.370-3 (DFARS 223.370-3) Policy.**

(90) DoN policy is to ensure the safe handling of all ammunition and explosives (A&E). To that end, particular care must be paid to A&E provided to contractors as Government Furnished Material (GFM) when the A&E contain nitrocellulose-based propellants and/or nitrate ester-based materials (such as nitroglycerin,) or any other materials which have a tendency to become chemically unstable over time.

**5223.370-5 (DFARS 223.370-5) Contract clauses.**

(a) Use the clause at 5252.223-9000, DoN ADDITIONAL SAFETY REQUIREMENTS APPLICABLE TO SPECIFIED GOVERNMENT FURNISHED AMMUNITION AND EXPLOSIVES, in solicitations and contracts which:

- (1) contain the clause at DFARS 252.223-7002, and
- (2) provide as GFM any A&E containing nitrocellulose-based propellants and/or nitrate ester-based materials (such as nitroglycerin,) or other similar A&E with a tendency to become chemically unstable over time.

(b) The head of the activity may make administrative adjustments to the additional requirements (e.g. specify activity points of contact, adjust specified lead times) or add further measures which increase safety requirements as appropriate.

**SUBPART 5223.4 USE OF RECOVERED MATERIAL**

**5223.406 Solicitation provision and contract clause**

(b) When using the clause at FAR 52.223-9, contracting officers shall insert the following address into paragraph (b) (or paragraph (c) if using ALT I) of the clause:

Commanding Officer  
Naval Facilities Engineering Service Center  
Code 424 CA, 1100 23rd Avenue  
Port Hueneme, CA 93043-4370

**PART 5250**

**EXTRAORDINARY CONTRACTUAL ACTIONS**

**SUBPART 5250.1 – GENERAL**

**5250.105 (DFARS 250.105) Records.**

(1)(iii) HCAs are the officials responsible for preparation and submission of the required records. Forward records to ABM.

**SUBPART 5250.2 – DELEGATION OF AND LIMITATIONS OF EXERCISE OF AUTHORITY**

**5250.201 Delegation of authority.**

**5250.201-70 (DFARS 250.201-70) Delegations.**

(a) Subject to the restrictions on delegations of authority in DFARS 250.201(b) and FAR 50.201 and 50.203, HCAs may exercise and redelegate the authority contained in the Act and Executive Order.

(1) HCAs may deny any request, regardless of dollar value.

(2) Requests to obligate the Government in excess of \$50,000 must be submitted to ASN(RD&A) for approval.

**5250.202 (DFARS 250.202) Contract adjustment boards.**

Members and alternate members shall be appointed by the ASN(RD&A).

**SUBPART 5250.3 – CONTRACT ADJUSTMENTS**

**5250.305 Processing cases.**

(b) The contracting activity responsible for processing a contractor's request for contractual adjustment under a DoN contract is responsible for establishing liaison and joint action with other Military Departments and other departments and agencies of the Government, until the case is submitted to the Navy Contract Adjustment Board for disposition.

**5250.306 Disposition.**

**5250.306-70 (DFARS 250.306-70) Record of disposition.**

When a contractor's request is denied below the Secretarial level, the contracting officer of the activity which forwarded the case to the board shall furnish a letter to the contractor explaining the denial.

**SUBPART 5250.4--RESIDUAL POWERS**

**5250.403 Special procedures for unusually hazardous or nuclear risks.**

**5250.403-2 Action on indemnification requests.**

(a) Requests for authorization to use the clause prescribed at FAR 50.403-3 shall be submitted with sufficient justification to the Secretary of the Navy via ABM.